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REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

Accountability and responsibility of programme managers in the United Nations

Report of the Secretary-General

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I. INTRODUCTION

A. Background

1. At its thirty-first session, in the context of noting that the links between programme performance and budget performance were unclear, the Committee for Programme and Coordination made the following recommendation:

> "The Committee stressed that one of the main reasons for this was the lack of a system of responsibility and accountability of programme managers, as well as of a clear formulation of programme objectives, as distinct from programme activities. The Committee recommended that such a system should be established." 1/

At its thirty-second session the Committee for Programme and Coordination reiterated this recommendation. 2/ The recommendation was endorsed by the General Assembly in its resolutions 46/185 B and 46/189 of 20 December 1991, 47/212 B of 6 May 1993, and 47/214 of 23 December 1993, section V, paragraph 2 of which invites the Secretary-General to report to the General Assembly at its forty-eighth session on the establishment of such a system.

2. There are many systems of responsibility and accountability in the United Nations, so that the basis for the system called for by the General Assembly already exists. The present report reviews the main systems, makes some preliminary assessments of them, and draws conclusions concerning the strengthening of managerial accountability and responsibility in the United Nations.

B. Some general considerations

3. Each organization has to develop a system of delegating responsibility. The greater the delegation of responsibility, the more decentralized the organization becomes. The advantages of decentralization are known: unburdening of top managers; decisions made closer to the scene of action; better training, morale and initiative at lower levels; more flexibility and faster decision-making in a rapidly changing environment. However, total decentralization, with no coordination and leadership from the top, would clearly be undesirable. What needs to be avoided is the involvement of central authorities in micro-management.

4. Inherent in the delegation of responsibility is accountability for the results achieved and the way in which assignments are carried out. The latter includes the wider sense of acceptable standards of ethical behaviour, operating within the legal norms set by the organization, and respect for the requirements of the organizational culture. For managers, the concept of accountability has an added dimension: not only are managers held accountable for their own performance, but they are also held accountable for the performance of their subordinates. In fact, accountability for the actions of subordinates is one of the defining characteristics of a managerial position.

5. Delegation of responsibility has to be matched with the delegation of appropriate formal authority. Formal authority is legitimate power exercised in accordance with explicit rules and associated with an organizational position. There are three main types of authority. The first is policy or programmatic authority, to determine what tasks are to be carried out and how, within what overall framework of organizational goals and objectives, and what has priority. The second is financial authority, including the authority to establish budgets and decide on the use of resources. The third is personnel authority, including the authority to recruit, redeploy, reward, promote, sanction and dismiss staff.

6. The match between responsibility and formal authority is the key to establishing a functioning system of accountability. The match is necessary, but not sufficient. A manager can only exercise formal authority effectively if its legitimacy is fully accepted by subordinates. To achieve this, the manager has to be perceived as being in charge and not a mere figure-head. In addition, subordinates have to view the individual as competent, fair and a person of integrity. This implies the need to have a personnel policy which selects appropriate individuals for management positions and provides training to enhance management and technical competence. A system of accountability and responsibility cannot be detached from the wider system of management.

7. While there are many factors that have to be taken into account when establishing systems of formal responsibility and authority, there are also some basic guidelines that apply to most situations. When establishing the line of authority for a specific responsibility, there should be no gaps (authority delegated incompletely) and no overlaps (authority for the same task delegated to more than one individual). In addition, there should be unity of command (authority delegated from only one individual). Complexity in organizations does not allow these principles to be strictly adhered to, but they are useful ideals which, if violated, will often lead to predictable types of problems.

8. The United Nations is governed by a multitude of intergovernmental bodies of Member States. The "stake-holders" in United Nations programmes include central, sectoral and regional intergovernmental bodies, individual Member States, donor and recipient countries, non-governmental organizations, the press and the public, all of whom demand an accounting if not accountability from top officials.

9. Each of these diverse organizational settings has its own unique culture, functional needs, management challenges and requirements for accountability. The delegation of authority has to be tailored to this diversity. Consequently, the notion of who is a "programme manager" will vary a great deal. In this report, the phrase will refer to any official responsible for performing a cluster of activities and having supervisory responsibility for a number of staff.

10. Finally, it should be noted that the existence of a Department of Administration and Management in the United Nations implies that the terms "administration" and "management" are not synonymous. In general, the conception of the Secretariat, the Secretary-General's functions, and the duties, obligations and privileges of the staff, are enshrined in regulations, rules and administrative instructions which were drawn up with the practice of older national civil services in mind. There is an inevitable tension between

rules and procedures primarily geared to the administrative maintenance of an established order and those designed to facilitate the achievement of objectives by managers. Controls are by their nature cumbersome; due process is not always expeditious.

II. POLICY-LEVEL ISSUES

A. Personal accountability of the Secretary-General

11. Under Article 97 of the Charter of the United Nations, the Secretary-General is the chief administrative officer of the Organization; the mandates promulgated by the principal organs are entrusted to him for their implementation under Article 98. The Secretary-General is thus accountable to the Member States for the proper running and administration of the Organization and implementation of its programmes. The Secretary-General can delegate authority to the various Under-Secretaries-General who are, in turn, accountable to him.

12. The Secretary-General's discretion as chief administrative officer is limited by Articles 100 and 101 of the Charter and by the Staff, Financial and Programme Planning Regulations adopted by the General Assembly. His managerial discretion is limited by the mandates given to him by Member States and the resources they make available to fulfil these mandates.

B. The international civil service

13. By Article 101 of the Charter, the staff are appointed under regulations established by the General Assembly. The paramount consideration in the employment of the staff and in the determination of the conditions of service is the necessity of securing the highest standards of efficiency, competence and integrity. Due regard is also to be paid to the importance of recruiting the staff on as wide a geographical basis as possible. Furthermore, Article 8 of the Charter stipulates that the United Nations is to place no restrictions on the eligibility of men and women to participate in any capacity and under conditions of equality in the work of its principal and subsidiary organs. Article 100 of the Charter requires that, in the performance of their duties, the Secretary-General and the staff shall not seek or receive instructions from any Government or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization.

14. Beyond these duties, obligations and privileges, and those in the Staff Regulations, staff members are to conform themselves to standards of conduct derived from the requirement of integrity. Such standards are described in a report of the International Civil Service Advisory Board dated in 1954; a copy of the latest edition, issued in 1965, is given to every staff member upon recruitment. 3/

15. The existing Financial Regulations and Rules of the United Nations and Staff Rules provide for a system of personal accountability and responsibility

of staff towards the Secretary-General in the performance of their official duties. Financial rule 114.1 provides:

> "Every official of the United Nations is responsible to the Secretary-General for the regularity of the actions taken by him or her in the course of his or her official duties. Any official who takes any action contrary to these Financial Rules, or to the administrative instructions issued in connection therewith, may be held personally responsible and financially liable for the consequences of such action."

Staff rule 112.3 provides:

> "Any staff member may be required to reimburse the United Nations either partially or in full for any financial loss suffered by the United Nations as a result of the staff member's negligence or of his or her having violated any regulation, rule or administrative instruction."

C. Concomitant responsibilities of Member States

16. By Article 100 of the Charter, each Member of the United Nations undertakes to respect the exclusively international character of the responsibilities of the Secretary-General and the staff and not to seek to influence them in the discharge of their responsibilities. In accordance with Articles 104 and 105, the Organization is to enjoy in the territory of each of its Members such legal capacity and such privileges and immunities as are necessary for the fulfilment of its purposes, and officials of the Organization are also to enjoy such privileges and immunities as are necessary for the independent exercise of their official functions.

17. Concomitant responsibilities of Member States are often specified in the operative paragraphs of resolutions addressed to Member States. Broadly speaking, the substantive objectives in the medium-term plan of the United Nations require action by Member States as well as the Secretariat if they are to be realized. And, of course, actions by the Secretariat cannot be undertaken if assessed contributions are not forthcoming on time and at the approved levels.

D. Expansion of peace-keeping and related operations

18. In the report of the Secretary-General (A/47/965-S/25944) on the implementation of the recommendations contained in his report entitled "An Agenda for Peace" (A/47/277-S/24111), he described expanded activities in preventive diplomacy (fact-finding, early warning, measures to build confidence), the peaceful settlement of disputes, humanitarian assistance and peace-building. As for peace-keeping itself, the Secretary-General noted that:

> "... the demand for United Nations peace-keeping has continued to grow. Some 60,000 civilian and military personnel now serve in 13 United Nations peace-keeping operations world wide. The operation in Somalia will bring this figure close to 90,000, and additional operations being considered would raise it well above the 100,000 mark this year. Peace-keeping is in

a state of rapid evolution as the United Nations is asked to undertake increasingly complex and dangerous tasks ...

"The growth in peace-keeping has profoundly affected the operations of the Organization. There is not a single administrative entity in the Secretariat which has not been required to assign staff to one or more of the peace-keeping operations. The demands have now grown to such an extent that it is no longer possible to fill all the positions in the field with existing Secretariat staff. New ways have therefore had to be sought to bring in additional personnel on a temporary basis. I have accordingly invited Member States to designate qualified personnel who may be considered for secondment to a United Nations peace-keeping operation; I have also accepted offers by Member States to make such personnel available on loan. In a number of cases, it has been necessary to turn to contractors for support services for the operations in the field normally provided by United Nations staff.

"At Headquarters, the units directly involved in peace-keeping, notably the Department of Peace-keeping Operations and the Field Operations Division within the Department of Administration and Management, are in the process of being strengthened, partly through the redeployment of Secretariat staff and partly with military staff on loan from Member States ... I should point out, however, that redeployment within the Secretariat will not be sufficient to meet the substantial additional staff requirements, while the loan of staff by Member States is essentially a short-term measure which cannot be used to establish permanent structures. It would thus be unrealistic to expect that all needs can be met from existing resources" (A/47/965-S/25944).

These developments have transformed the work of the Secretariat. The United Nations is now an organization in which a significant proportion of the staff are engaged in rapidly evolving field operations, or their support at Headquarters, requiring managerial skills and discretion, much broader than those they had exercised only a few years ago.

III. MANAGERIAL RESPONSIBILITY FOR DELIVERING PROGRAMMES AND SERVICES

A. The system at the sectoral level: programme managers and specialized intergovernmental bodies

19. A large number of functional commissions, regional commissions, standing committees, ad hoc intergovernmental conferences and expert groups review individual United Nations programmes and make recommendations for changes in them. For the medium-term plan for the period 1992-1997, 4/ a list of the review bodies associated with each programme is given in document A/43/329/Add.1, annex I. The specialized programme review procedures of the United Nations are complex. The work on statistics in the Economic Commission for Africa (ECA), for example, is reviewed by the Joint Conference of African Planners, Statisticians and Demographers and the ECA Conference of Ministers at the regional level and, at the sectoral level, by the Statistical Commission.

20. The minimum conditions to permit a programme review to be a true assessment of accountability and responsibility are:

(a) Scope: there is at least one intergovernmental review body that has a mandate to review the programme in its entirety;

(b) Expertise: the programme is reviewed by a body that is technically expert;

(c) Analysis: the documentation presented to the review bodies permits them to judge the effectiveness of past programmes.

21. Care must be taken, however, not to become more rigorous than the development of the field permits. Many Secretariat units and their review bodies work in areas where there is no academic discipline or well-defined and long-established practice that could provide a common background, technical language or methodology of assessment. It cannot be expected that the review procedures in these areas could function as smoothly, or result in as well-founded programmes as those in, for example, statistics.

B. The central programme planning system

22. The process of monitoring and evaluating implementation of programmes entrusted to the Secretary-General is embodied in the "Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation" 5/ adopted by the General Assembly. Under these Regulations, the Secretary-General has been entrusted with carrying out certain programme planning and monitoring activities and, in turn through the Rules, some of these functions are delegated to the programme managers.

23. Under regulation 2.1, the activities undertaken by the United Nations are subject to an integrated management process reflected in the following instruments: (a) medium-term plans; (b) programme budgets; (c) reports on programme performance; (d) evaluation reports.

Medium-term plans

24. The Secretary-General is responsible for proposing the medium-term plan (regulation 3.1), which constitutes a translation of the legislative mandates given to him by the principal organs (rule 103.2) into programmes (regulation 3.2). The various heads of departments and offices submit proposals for the medium-term plan for the programmes falling within their area(s) of competence (rule 103.1). The medium-term plan is adopted by the General Assembly and states the objectives to be attained, describes the strategy to be followed to that effect and the means of action to be used and gives an indicative estimate of the necessary resources (regulation 3.3). It thus serves as a framework for the formulation of the biennial programme budgets within the period covered by the plan (regulations 3.4 and 4.1), which is six years (regulation 3.9).

Programme budgets

25. The programme proposals in the budget aim at implementing the strategy statement of the medium-term plan which has been adopted by the General Assembly (regulation 4.2). The heads of departments and offices submit programme proposals and corresponding budget estimates to the Secretary-General in the preparation of his biennial budget (rule 104.7).

Monitoring of programme implementation

26. The Secretary-General monitors the delivery of outputs scheduled in the approved programme budget and reports to the General Assembly on programme performance through the Committee for Programme and Coordination after the completion of the biennial budget (regulation 5.1). To prepare his report, the Secretary-General asks the heads of departments and offices to produce programme performance reports for their departments or offices (rule 105.1 (b) (i)). However, the biennial programme performance report submitted by the Secretary-General (regulation 5.3 and rule 105.1 (d)) has been criticized by the Committee for Programme and Coordination 6/ for containing only a quantitative assessment of the implementation of the programmes in terms of outputs, rather than a qualitative assessment of the effectiveness of programme implementation.

Evaluation

27. Regulation 6.1 establishes the objective of evaluation, which is:

> "(a) To determine as systematically and objectively as possible the relevance, efficiency, effectiveness and impact of the Organization's activities in relation to their objectives;
>
> "(b) To enable the Secretariat and Member States to engage in systematic reflections, with a view to increasing the effectiveness of the main programmes of the Organization by altering their content and, if necessary, reviewing their objectives."

The Regulations provide that all activities programmed shall be evaluated over a fixed time period (regulation 6.2). At the programme or subprogramme level, evaluation plans are linked to the medium-term plan.

28. The Regulations provide for internal and/or external evaluations (regulation 6.3). They provide that the General Assembly shall invite such bodies as it sees fit, including the Joint Inspection Unit, to perform ad hoc external evaluations and to report on them (regulation 6.3). The evaluation system must include ad hoc in-depth evaluation of selected programme areas or topics conducted internally or externally at the request of intergovernmental bodies or at the Secretariat's initiative (rule 106.2 (c)).

29. The evaluation system includes periodic self-evaluation of activities directed at time-limited objectives and continuing functions. Programme managers must, in collaboration with their staff, undertake self-evaluation of all subprogrammes under their responsibility (rules 106.2 (a) and (b)). The Rules provide that self-evaluation shall be conducted by programme managers (rule 106.3 (a)). Self-evaluation reports shall be concerned with effectiveness

and impact of subprogrammes. The programme managers shall, among other things, assess the quality and relevance of the output of each subprogramme and their usefulness to the users (rule 106.3 (c) (i)). Regulation 6.4 makes provision for implementation of the findings of the intergovernmental review of the evaluations. This having been said, the Rules attempt to separate the programme evaluation system from the personnel performance evaluation system. The Rules provide that no information shall be transmitted between the two systems (rule 106.3 (e)).

C. Assessment of programme control systems

30. By and large the sectoral system of programme control by specialized intergovernmental bodies functions adequately. However, it often glosses over common occurrences, such as a gap between real needs and outputs and sub-quality outputs. Further, a rather close relationship often develops between staff members and governmental delegates in specialized areas of work. This cordiality and respect are needed for effectiveness, but may hamper strict monitoring of performance.

31. Links with the central system are provided in a formal sense by having the relevant sections of medium-term plans, programme aspects of the budget and performance and evaluation reports reviewed by the specialized bodies. The results of these reviews, however, have often been disappointing. The General Assembly, in its resolution 47/214 on programme planning, called upon intergovernmental bodies "to take appropriate measures to ensure their active participation in the review of the medium-term plan and its revisions" and expressed regret that there were still "considerable practical problems which limit the availability of such contributions".

32. The effectiveness of the central programme planning system envisaged in the Programme Planning Regulations and Rules has been called increasingly into question both within the Secretariat and among Member States. It was a product of its period, the late 1960s, an intellectually confident time which had faith in bureaucratic rationality. The motive for the development of planning in the late 1960s was to bring order to legislative chaos and to facilitate government oversight and control. By the late 1970s and early 1980s a strong disillusionment with planning, and government in general, had set in. By the late 1980s attitudes had again shifted and now many Governments want their civil servants to be managers and to innovate. The Programme Planning Rules and Regulations have not been adjusted to match these new attitudes.

33. By its resolution 47/214, the General Assembly endorsed the recommendation of the Committee for Programme and Coordination on the convening by the Secretary-General of an ad hoc technical seminar of experts to assist the Secretariat in drafting the prototype of the new format of the medium-term plan. That seminar, held at Mohonk, New York, from 22 to 28 April 1993, recognized a number of shortcomings in the current system of programme planning, budgeting, monitoring and evaluation, which are summarized in paragraph 8 of the report of the Secretary-General submitted to the Assembly at its forty-eighth session entitled "Possible new approach to programme planning" (A/48/277):

"(a) The medium-term plan tends to be a bottom-up aggregation of sectoral plans and strategies, rather than providing through a substantive introduction an over-arching statement of purpose and direction for the Organization within a specific time-frame;

"(b) Little priority is given to formulation of the plan by programme managers or by many Member States. Once adopted, the plan is little used and has little real impact on the work of the Organization;

"(c) The link between the plan and the programme budget is often fairly formalistic and there is frequently a degree of repetition between the two texts;

"(d) Monitoring provides a tool for identifying shortfalls in implementation but needs considerable refinement if it is to be effective;

"(e) The objectives in the medium-term plan were not precise enough to be used as standards against which to measure the impact of United Nations programmes, as envisaged in regulation 6.1;

"(f) Much more time is spent on reviewing plans and budgets than on implementation and evaluation."

That report concludes, however, that "despite these shortcomings, the current system is seen to impose a discipline on programme managers and to provide a process for consultation with and among Member States" (ibid., para. 9).

IV. MANAGERIAL RESPONSIBILITY FOR USE OF RESOURCES

A. Centralized procedures

1. Budgetary procedures

34. Under general policy guidelines and by means of voluminous documentation, heads of departments or offices prepare and submit programme budget proposals for consideration by the Department of Administration and Management, which then develops the proposed programme budget of the Secretary-General, under his guidance and that of a senior advisory board appointed to assist him in budgetary matters. The Secretary-General submits his proposed budget for consideration by the General Assembly through the Committee for Programme and Coordination and the Advisory Committee on Administrative and Budgetary Questions.

35. In the course of the budget review process, reductions in resources are often made without changing or limiting the programmes which have been mandated and for which the resources were requested. This has an obvious impact on the capacity of programme managers to fulfil their responsibilities for programme delivery.

36. Once the programme budget is approved by the General Assembly, authorization to incur expenditure is issued by the Controller in the form of allotment advices, including staffing table authorizations. The largest part of

the resources relate to staff costs. Purchase of office equipment, including computer hardware and software, is largely centralized, as is construction and the layout and furnishing of offices. The allotment advices relating to other non-post resources provide authority to departments or offices to incur expenditure for travel, hiring of consultants and other items for the purposes set out in the approved budget. Various administrative instructions set out the procedures and norms governing the different items of expenditure.

37. The procedures for developing, reviewing, approving and administering the budgets for assessed peace-keeping operations parallel those which apply to the programme budget.

38. Resources, in addition to those provided by assessed contributions and which are normally donated to specific programmes, are termed "extrabudgetary". To be receivable, the purposes of such donations have to be consonant with the goals of the Organization and its programmatic objectives. Such resources are subject to the same financial management systems as those provided under the regular budget. Implementing offices are responsible for reporting on the use of extrabudgetary resources to donors and to the Controller.

2. Human resource management

39. The Secretary-General has the authority and responsibility to promulgate and enforce administrative rules in implementation of the Staff Regulations enacted by the General Assembly. The Under-Secretary-General for Administration and Management and the Office of Human Resources Management administer the application of the Staff Regulations and Rules and related administrative issuances. Various administrative issuances, such as ST/SGB/151, define the broad principles of delegation of authority and responsibility to departments and offices in order to achieve some decentralization of responsibility for personnel management. External recruitment of Professional staff, however, must comply with norms governing equitable geographic and gender distribution of staff. Various general considerations also enter into promotion decisions. Recruitment to entry-level Professional posts is largely by competitive examination. All this implies a necessary and strong central component to human resource management in the United Nations.

3. Controls

40. The internal control systems of the Organization are predicated on the concept of checks and balances, fundamental to which is the segregation of duties, so that transactions require approval and scrutiny by more than one individual.

41. In accordance with financial rule 106.1, no commitments, obligations or disbursements may be incurred without the authorization of the Controller. Executive and administrative offices assist heads of departments or offices in managing staff and non-staff resources, as provided for in the allotment advices. The Under-Secretary-General for Administration and Management must approve the senior officials in these offices.

42. Each department or office nominates certifying officers and alternate certifying officers, who require approval by the Controller. The senior official in each executive or administrative office normally is designated as a certifying officer. Certifying officers are authorized to commit the resources of the departments or offices if the proposed obligation or expenditure is in accord with existing regulations, rules and instructions, is reasonable and in accord with the purpose for which the relevant appropriation was approved and the allotment made, and can be met from the available balance of the allotment in the relevant account with due regard to foreseeable future obligations.

43. The system of internal controls also entails the designation of staff with responsibility for authorizing and effecting disbursements and for keeping records of assets, liabilities, income and expenditure. The main responsibilities for the accounting system are exercised through designated approving officers who, on behalf of the Controller, are responsible for approving the recording of obligations appropriate to the relevant accounts relating to contracts, agreements, purchase orders and other necessary expenditures for the procurement of goods, services and facilities. They are also responsible for approving, again on behalf of the Controller, subsequent payments on the basis of supporting vouchers and other documents which indicate that the goods and services have been received in accordance with the documents establishing the obligation.

44. To ensure proper control of payments, other staff members designated by the Controller, who may not simultaneously be approving officers, are responsible for signing checks, operating bank accounts and otherwise effecting payments.

45. The Internal Audit Division, now forming part of the Office of Inspection and Investigations, headed by an Assistant Secretary-General reporting to the Secretary-General, examines the reliability of information provided by Departments under various procedures, the compliance with policies and procedures, the safeguarding of assets, the economical and efficient use of resources and the effectiveness of performance. The Division also undertakes independent reviews of the effectiveness of internal controls in the United Nations.

46. The United Nations Board of Auditors, established by and responsible to the General Assembly, audits the accounts of the United Nations, including all trust funds and special accounts, as it deems necessary, in order to satisfy itself that the financial statements are in accord with the books and records of the Organization, that the financial transactions reflected in the statements have been in accordance with the Rules and Regulations of the United Nations, the budgetary provisions and other applicable directives, that the securities and moneys on deposit and on hand have been verified by certificate received direct from the Organization's depositaries or by actual count, that the internal controls, including the internal audit, are adequate in the light of the extent of reliance placed thereupon, and that procedures satisfactory to the Board of Auditors have been applied to the recording of all assets, liabilities, surpluses and deficits.

47. Both the Financial Regulations and Rules and the Staff Rules of the United Nations contain explicit provisions to protect the Organization against any financial loss that might result from a staff member's violation of such rules

or related administrative instructions (see para. 15 above). United Nations staff members, particularly those holding positions of responsibility in administration and finance, are required to report to senior management any inappropriate uses of the resources of the Organization.

48. The report of the Secretary-General submitted to the General Assembly at its forty-seventh session, concerning these and related issues, concluded that:

> "The necessary framework for staff members to report inappropriate uses of resources already exists in the provisions on financial responsibility and related matters in the Financial Rules and the Staff Rules of the United Nations and supporting administrative issuances" (A/47/510, para. 33).

B. Assessment of resource control systems by managers

49. In the preparation of the present report, heads of departments and offices provided assessments of the resource control procedures outlined above, as they affect the accountability and responsibility of managers in the United Nations. It is clear from these assessments that many heads of departments and offices feel that the financial and personnel management procedures of the Organization are unduly cumbersome and hinder expeditious response to the opportunities and challenges that now exist.

50. Many United Nations programme managers consider that they are held accountable to Member States for programmes which they may not have sufficient authority or resources to deliver. Some adjustment of administrative procedures is needed, they believe, in such areas as recruitment, staff transfers, assignments and extensions, staff travel and the purchase of equipment. A recurrent theme is that managers in the Secretariat must be given sufficient discretion to manage, and that those held accountable for delivery of services to Member States must be entrusted with considerable discretionary control over the resources, human and financial, required to produce them.

51. Many features of the United Nations approach to career development were criticized as inconsistent with modern management thought. In particular, the promotion system is thought to be unduly complex, with meritorious staff members often having to wait years for their outstanding service to be recognized. In this connection, both the promotion procedures themselves and the inflexibility of post allocation and management were criticized.

52. There is truth and merit in these views. However, the requirements of efficient and effective management are not absolute. The legitimate concerns of programme managers for more discretion and flexibility must be balanced by a host of other considerations focused on the issue of accountability, especially to Member States, considerations that have given rise over the years to the centralized controls under which managers now chafe.

V. CONCLUSIONS

A. Conclusions

53. In his report on the work of the Organization, the Secretary-General made an assessment that it is important to recall here:

> "I paid a tribute, in my introduction to this annual report, to the staff of the United Nations. No attempt to restructure the Secretariat will succeed unless it takes into account its most important asset, the staff. I am increasingly impressed by the dedication and professionalism of the Secretariat staff. In this period of expansion and restructuring, the commitment of staff members to the ideals of the United Nations, their willingness to work long hours under difficult conditions of service, and their flexibility to adapt to a variety of new conditions allow us to continue the day-to-day work of the Organization." 7/

54. The vastly greater and more challenging demands made on the Secretariat by Member States in recent years have served to prove, in concrete terms, the validity of the Secretary-General's judgement concerning the dedication and versatility of the staff of the United Nations. Such demands have also had an obvious impact on the traditional concepts of responsibility and accountability in the United Nations and on the systems of budgeting, programme management and organization.

55. For example, the shorter response time for urgent mandates is making it necessary to resort to ad hoc arrangements which may not fit within existing descriptions of programmes and the resources provided for them. The wider range of expertise required for multifaceted mandates, often at short notice, may be scarce or fully occupied in the Secretariat; such expertise may thus have to be procured from outside sources.

56. With the significantly changed expectations of what the United Nations should and can do, the Secretary-General is now very frequently exercising the discretion conferred upon him by Article 99 of the Charter, at the request of Member States, under the pressing circumstances of events and on his own initiative.

57. The more complicated and increased demands by Member States, coupled with greater managerial discretion, may require adjustments in the regulations and rules that now guide the work of the Secretariat. The procedures, practices and customs of the United Nations, including those of intergovernmental bodies, which have been applied in the context of traditional mandates, will certainly need to be reviewed in the context of the new realities. The balance between centralized controls and the legitimate concerns for a more decentralized style of management will have to be rethought.

B. Action to be taken

58. In the course of the preparation of this report, many suggestions for improvements in the systems outlined above were made, including: more management training at all levels; greater attention to managerial skills in the

selection of programme managers; a much clearer system of rewards and sanctions for staff, including performance-related pay schemes; and more flexible termination provisions to permit the Organization to release staff, after due process but without protracted litigation.

59. Most of these suggestions are within the prerogatives of the Secretary-General and will be examined further. But ad hoc adjustments will not address the central problem of finding the appropriate balance between the need for a greater degree of managerial discretion by senior staff and the ultimate responsibilities of the Secretary-General to Member States. A thorough review of the regulations, rules and procedures governing the accountability and responsibilities of staff at all levels will be undertaken in the coming year in order to:

(a) Provide sufficient discretion in the conduct of their work, and in particular in the use of resources, to permit programme managers in the United Nations to implement mandates given to them by intergovernmental bodies in an effective and efficient manner, while preserving adequate central control and oversight to meet the concerns of Member States;

(b) Make the necessary adjustments to the systems of accountability and responsibility that now exist in the United Nations.

60. It would be the Secretary-General's intention to report to the General Assembly on the outcome of that comprehensive review, including any proposals for changes in matters requiring the approval of Member States. In undertaking this review, the Secretary-General will draw on any and all guidance Member States can give in the course of their comments on this report.

Notes

1/ Official Records of the General Assembly, Forty-sixth Session, Supplement No. 16 (A/46/16), para. 400.

2/ Ibid., Forty-seventh Session (A/47/16), part one, para. 44, and part two, para. 245.

3/ Coord/Civil Service/5.

4/ Official Records of the General Assembly, Forty-seventh Session, Supplement No. 6 (A/47/6/Rev.1).

5/ ST/SGB/PPBME Rules/1 (1987).

6/ Official Records of the General Assembly, Forty-sixth Session, Supplement No. 16 (A/46/16).

7/ Ibid., Forty-eighth Session, Supplement No. 1 (A/48/1), para. 70.